few days in effecting such transfers. To that extentthe standing instructions were not complied with. Subsequent to receipt of a complaint regarding the loss of interest on account of delayed transfers of the amounts in question SBI have re-calculated the interest payable on the assumption of transfers having taken place as per standing instructions and the differential in interest has been credited to the account of the party. SBI have further reported that appropriate steps have been initiated to ensure that standing instructions are complied with and that no delay in compliance takes place.

Following the receipt of a complaint from an Hon'ble MP on 8th July, Finance Minister has caused an immediate enquiry and after ascertaining the facts of the case and ensuring corrective action has replied to the Hon'ble MP on 11.7.97

Subsidies as Social requirement

*85. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) the salient features of subsidies as social requirement; and

(b) how the fiscal: deficit on this account will be met?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The explicit provision for subsidies given in the central budget covers items as indicated in the statement below. It may be noted that subsidy on food and fertiliser alone accounted for an overwhelming share of 91.5 per cent of the total subsidies budgeted on 1997-98. The provision for total subsidies is budgeted to increase by 9.3 per cent from Rs. 16694 crore in 1995-96 (RE) to Rs, 18251 crore in 1997-98 (BE). The Union Budget for 1997-98 continued the process of fiscal adjustment within the framework of common minimum programme. The budget has envisaged a further reduction in the gross fiscal deficit as a proportion of gross domestic product from 5 per cent in 1997-98(RE) to 4.5 per cent in 1996-97 (BE). The fiscal adjustment strategy emphasises a tax structure which is simple, relies on moderate tax rates with a wider base and ensures better compliance and serves the objectives of equity and efficiency along with prudent expenditure managment.

Statement

Details of Subsidies Provided in the Central Budget from 1990-91 to 1997-98 (BE)

(Rupees crore)

Discription/year	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97 (RE)	1997-98 (BE)
A. Major Subsidies	9581	9793	9414	10764	11527	12128	14233	17130
1. Food	2450	2850	2800	5537	5100	5377	6066	7500
2. Indigenous (Urea) Fertiliser	3730	3500	4800	3800	4075	4300	4743	524C
3. Imported (Urea) Fertiliser	659	1300	996	762	1166	1936	1350	195C
4. Fertiliser subsidy to small and marginal farmers		385						
5. Export promotion and market Development	2742	1758	818	665	658	16	400	44C
6. Sale of decontrolled fertiliser with concession to farmers					528	500	1674	200C
B. Debt Relief of Farmers	1502	1425	1500	500	341			
C. Other Subsidies	1075	1035	1081	1418	1064	1177	2461	1121
7. Railways	283	312	353	412	420	428	466	537
8. Mill-made cloth	10	15	15	16		1		
9. Handloom cloth	185	187	161	174	148	143	98	84
10. Import/Export of sugar, edible	oils elc.					100	50	5(
11. Interests subsidies	379	316	113	113	76	34	1257	34
12. Assistance for fertiliser promotion			340	517				
13. Other Subsidies	218	205	99	186	420	481	590	416
D. Total subsidies	12158	12253	11995	12682	12932	13305	16694	18251